

*Denton
Independent
School
District*



Quarterly
Report
4Q15

*Learn from Yesterday...
Understand Today...
Plan for Tomorrow*



TEMPLETON
DEMOGRAPHICS



Economic Conditions – DFW Area (December 2015)

2.9%

99,000 new jobs
National rate 1.8%



Job Growth

Unemployment Rate



U.S. 4.8%
Texas 4.2%
DFW MSA 3.7%
Denton 3.1%

-0.1%

26,840

2,713 more
than 2014



Annualized Home Starts





DFW New Home Ranking Report

ISD Ranked by Annual Closings – 4Q15

Rank	District Name	Annual Starts	Annual Closings	VDL	Future
1	Frisco ISD	2,934	2,818	3,977	8,450
2	Denton ISD	1,723	1,545	2,833	28,718*
3	Prosper ISD	1,723	1,385	2,874	32,944
4	Northwest ISD	1,223	1,148	1,921	22,597
5	Dallas ISD	1,235	1,015	2,234	5,949
6	Lewisville ISD	1,320	1,007	2,151	2,989
7	Keller ISD	953	959	960	2,282
8	Eagle Mtn. - Saginaw ISD	943	868	1,297	19,518
9	Little Elm ISD	1,075	856	1,556	4,746
10	Rockwall ISD	709	643	1,819	8,330
11	Wylie ISD	664	539	884	4,612
12	Mansfield ISD	635	526	1,028	5,509
13	McKinney ISD	591	509	1,219	6,868
14	Crowley ISD	559	495	1,220	8,031
15	Allen ISD	488	467	644	2,063
16	Plano ISD	481	445	945	2,877
17	Forney ISD	425	439	654	12,260
18	Midlothian ISD	461	432	1,255	20,908
19	Burleson ISD	480	417	642	3,324
20	HEB ISD	424	411	438	4,909

*Based on additional Templeton Demographics housing research

*New futures include but not limited to the following developments: Cole Ranch-8,450 lots; The Hills of Denton-4,500 lots; Union Park- 2,420 lots; Arrow Brooke- 1,441 lots; Lakeview Ranch- 1,433 lots; Stark Farms- 817 lots;

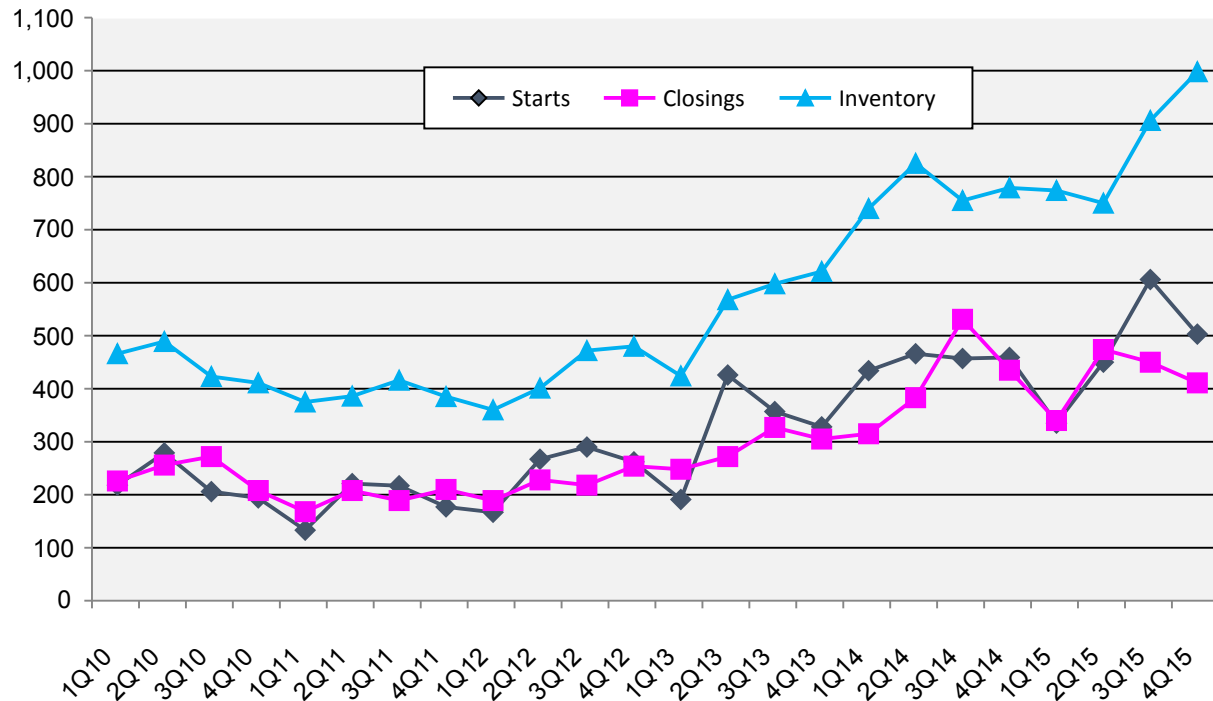
**Excluding Robson Ranch- Age restricted community





New Housing Activity

Denton ISD



Starts	2010	2011	2012	2013	2014	2015
1Q	218	133	167	191	434	335
2Q	279	221	267	426	466	450
3Q	206	217	290	357	457	606
4Q	194	177	262	328	459	503
Total	897	748	986	1,302	1,816	1,894

Closings	2010	2011	2012	2013	2014	2015
1Q	226	168	189	248	315	340
2Q	256	208	228	272	383	474
3Q	272	189	218	327	531	450
4Q	208	210	254	305	435	411
Total	962	775	889	1,152	1,664	1,675

- DISD had 1,894 new home starts in 2015, 78 more than 2014
- The district closed 1,675 homes in 2015, the most in more than 8 years
- Inventory has climbed for consecutive quarters, currently 770 homes under construction



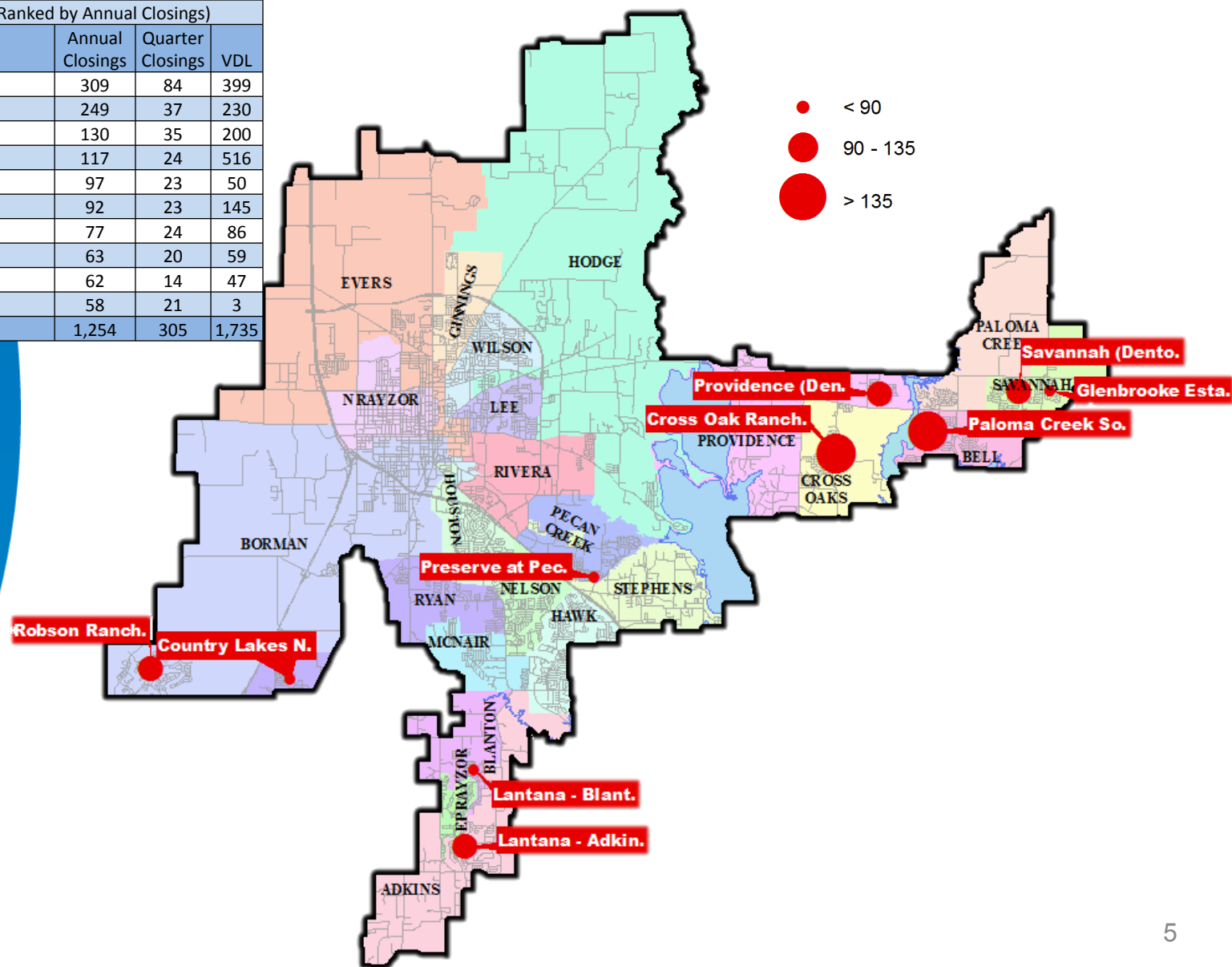


Annual Closing Distribution 4Q15

Top 10 Subdivisions - 4Q15 (Ranked by Annual Closings)

Rank	Subdivision	Annual Closings	Quarter Closings	VDL
1	Paloma Creek South (Bell)	309	84	399
2	Cross Oak Ranch	249	37	230
3	Robson Ranch*	130	35	200
4	Savannah (Denton County)	117	24	516
5	Providence (Denton Co)	97	23	50
6	Lantana - Adkins	92	23	145
7	Country Lakes North (DISD)	77	24	86
8	Preserve at Pecan Creek	63	20	59
9	Lantana - Blanton	62	14	47
10	Glenbrooke Estates (Prosper)	58	21	3
TOTALS		1,254	305	1,735

*Age restricted community

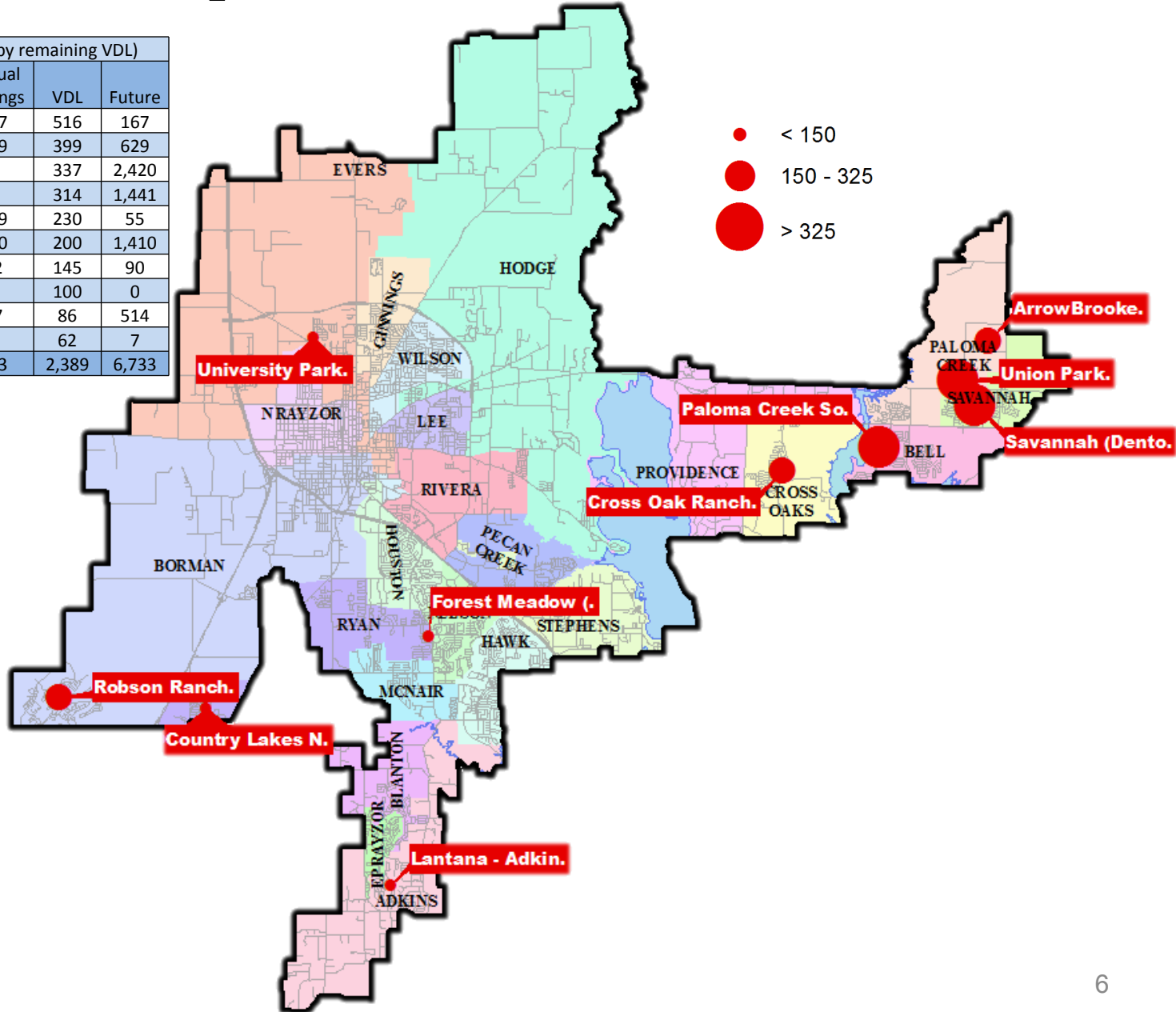




Vacant Developed Lots 4Q15

Top 10 Subdivisions - 4Q15 (Ranked by remaining VDL)				
Rank	Subdivision	Annual Closings	VDL	Future
1	Savannah (Denton County)	117	516	167
2	Paloma Creek South (Bell)	309	399	629
3	Union Park	0	337	2,420
4	Arrow Brooke	0	314	1,441
5	Cross Oak Ranch	249	230	55
6	Robson Ranch*	130	200	1,410
7	Lantana - Adkins	92	145	90
8	Forest Meadow (Denton)	4	100	0
9	Country Lakes North (DISD)	77	86	514
10	University Park (Denton)	5	62	7
TOTALS		983	2,389	6,733

*Age restricted community



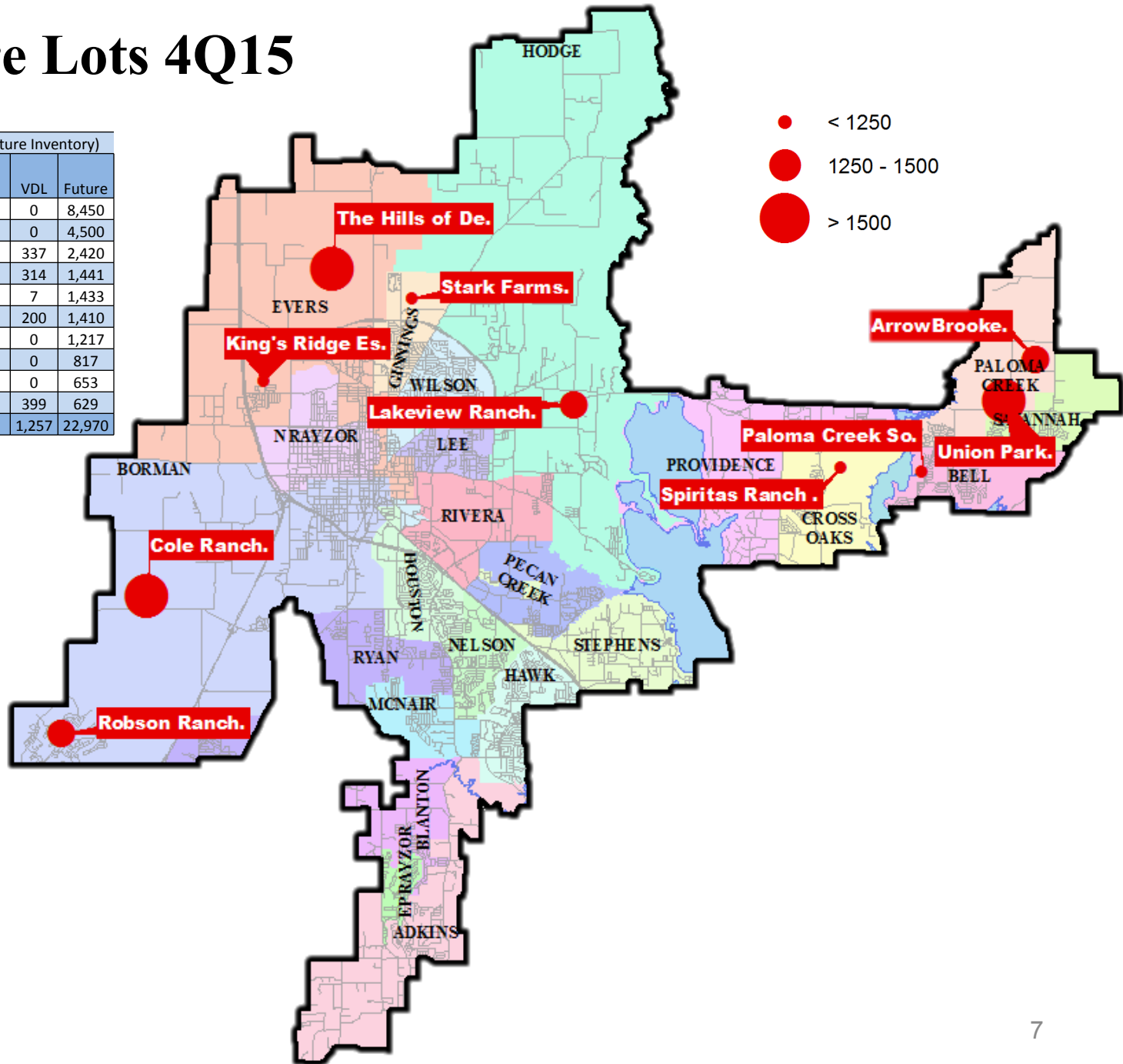
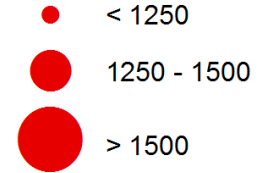


Future Lots 4Q15

Top 10 Subdivisions - 4Q15 (Ranked by Future Inventory)

Rank	Subdivision	VDL	Future
1	Cole Ranch	0	8,450
2	The Hills of Denton	0	4,500
3	Union Park	337	2,420
4	Arrow Brooke	314	1,441
5	Lakeview Ranch	7	1,433
6	Robson Ranch*	200	1,410
7	Spiritas Ranch West	0	1,217
8	Stark Farms	0	817
9	King's Ridge Estates	0	653
10	Paloma Creek South (Bell)	399	629
TOTALS		1,257	22,970

*Age restricted community





Active Subdivision

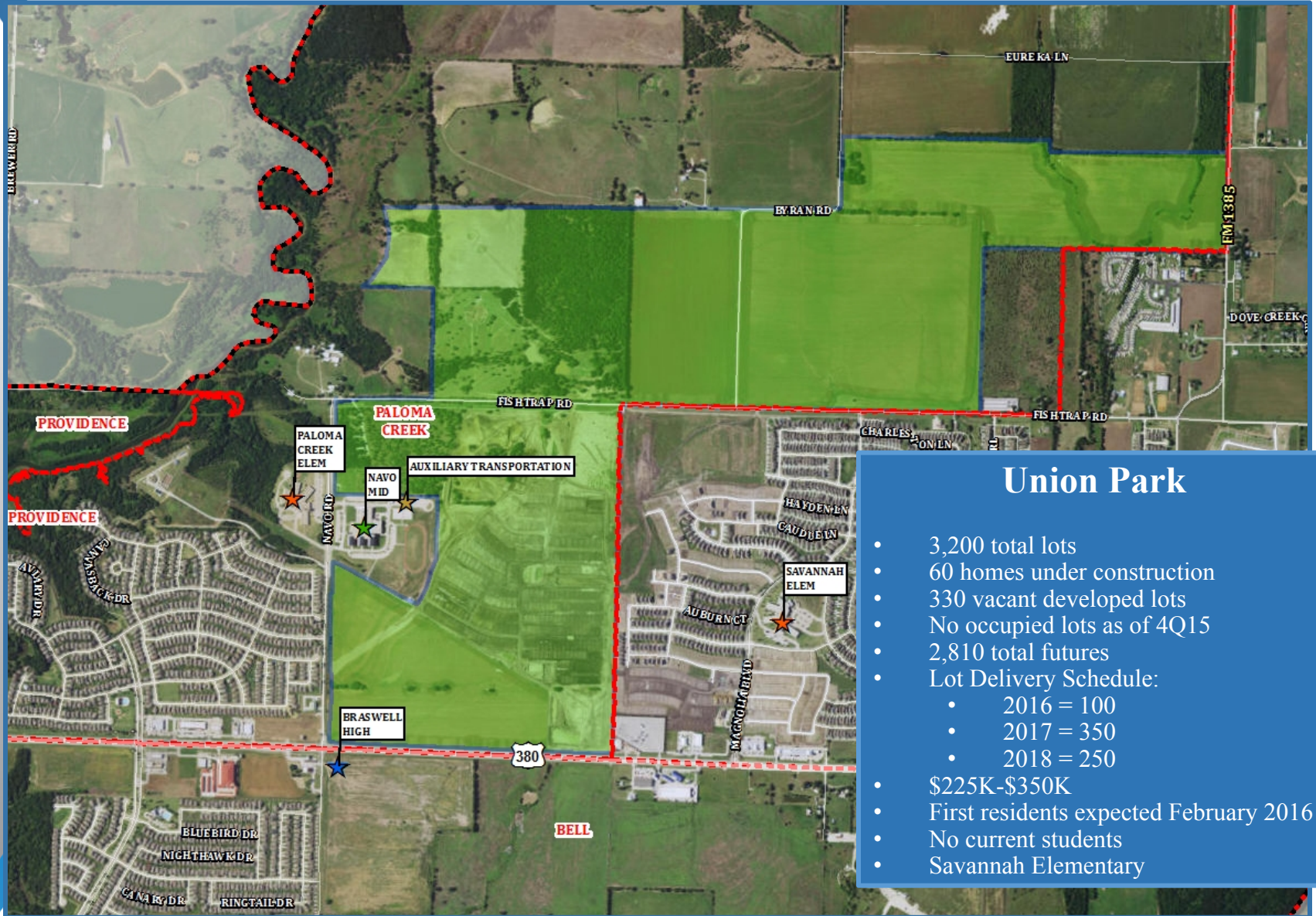
Paloma Creek– Town of Little Elm





Active Subdivision

Union Park – Town of Little Elm



Union Park

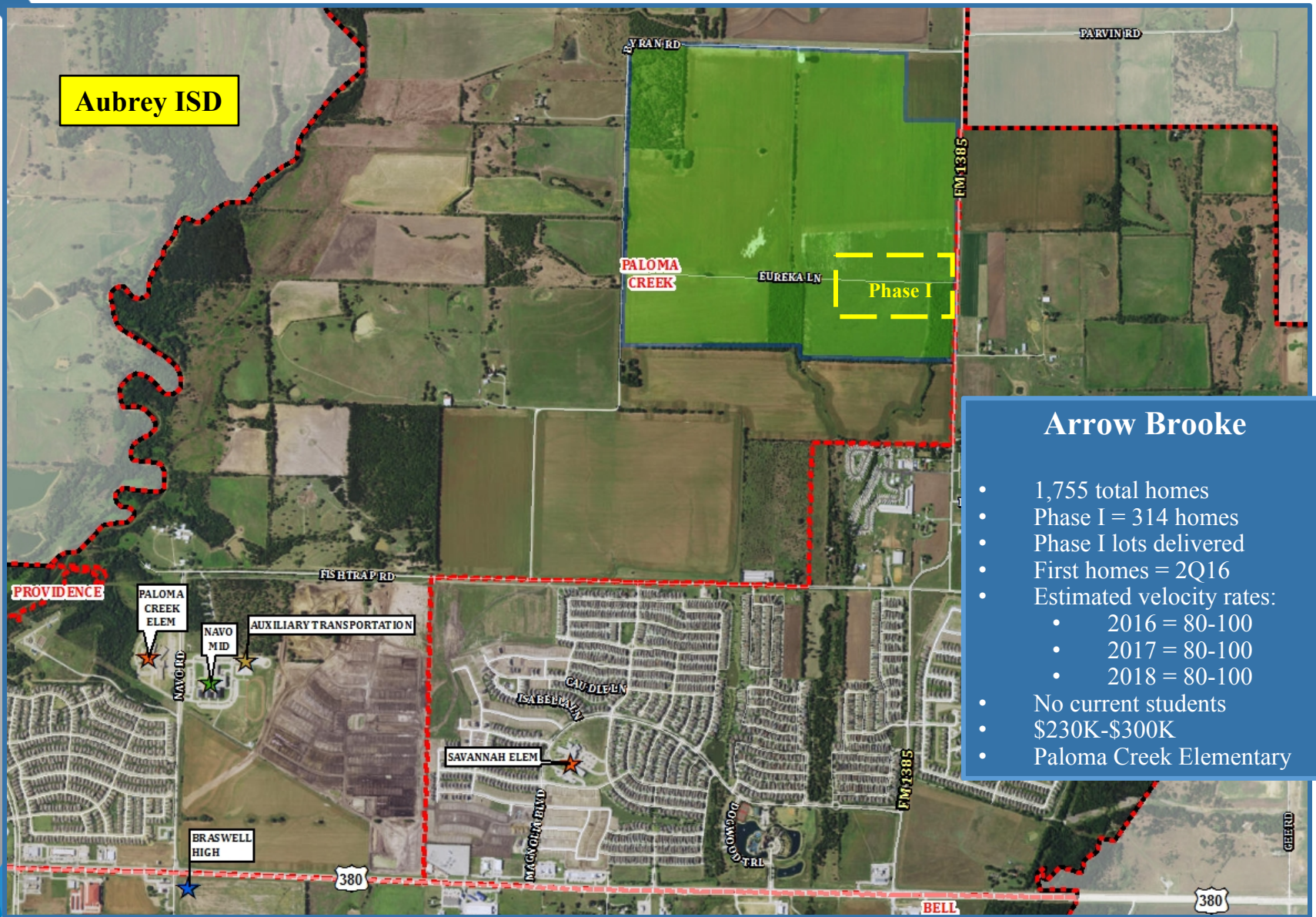
- 3,200 total lots
- 60 homes under construction
- 330 vacant developed lots
- No occupied lots as of 4Q15
- 2,810 total futures
- Lot Delivery Schedule:
 - 2016 = 100
 - 2017 = 350
 - 2018 = 250
- \$225K-\$350K
- First residents expected February 2016
- No current students
- Savannah Elementary





Future Subdivision

Arrow Brooke – Denton County



Arrow Brooke

- 1,755 total homes
- Phase I = 314 homes
- Phase I lots delivered
- First homes = 2Q16
- Estimated velocity rates:
 - 2016 = 80-100
 - 2017 = 80-100
 - 2018 = 80-100
- No current students
- \$230K-\$300K
- Paloma Creek Elementary





Active Subdivision

Savannah



Savannah

- 2,447 total lots
- 1,663 homes occupied
- 96 homes under construction
- 38 finished vacant homes
- 298 vacant developed lots
- Absorption Rates:
 - 2016- 200
 - 2017- 200
 - 2018- 200
- 1,043 current students
 - 547 Elementary students
 - 270 Middle school students
 - 226 High school students
- Current student yield = 0.62
- Savannah Elementary





Active Subdivision

Cross Oak Ranch





Active Subdivision

Forest Meadow



Forest Meadow

- 226 total lots
- Appx. 119 homes occupied
- Phase 2 (110 lots) currently under construction
- 51 homes under construction
- 59 vacant developed lots
- 79 current students
 - 37 Elementary students
 - 18 Middle school students
 - 24 High school students
- Current student yield: .66
- Ryan Elementary





Active Subdivision

Teasley Trails



Teasley Trails

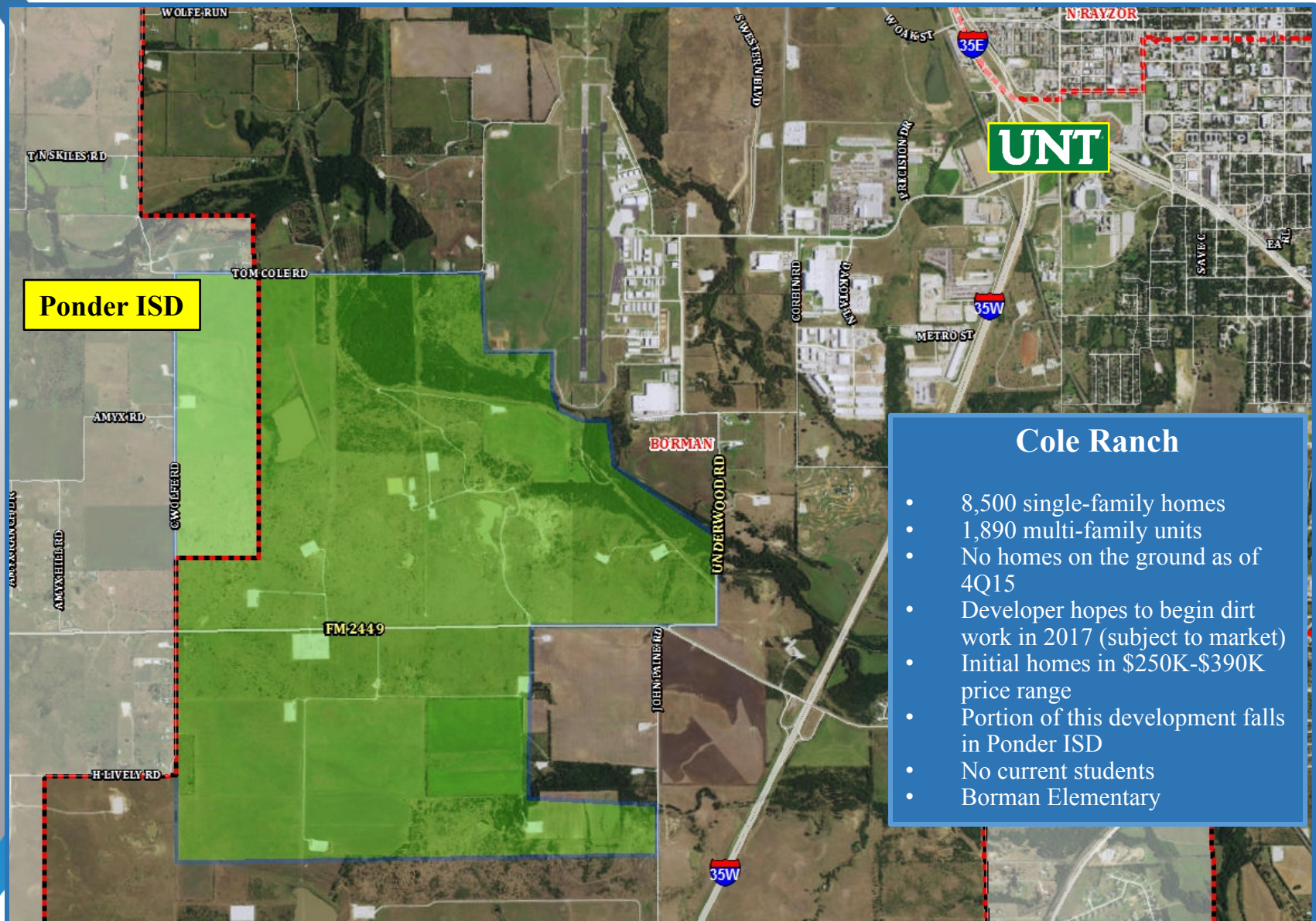
- 258 total lots
- Development is being built in 4 phases
 - Phase 1= 59 lots
 - Phase 2= 41 lots
 - Phase 3= 78 lots
 - Phase 4= 80 lots
- Phases 3 and 4 set to deliver lots in April 2016
- Phases 1 and 2 set to deliver lots in January 2017
- No current students
- Split between Ryan Elementary and Houston Elementary





Future Subdivision

Cole Ranch – City of Denton



Ponder ISD

UNT

Cole Ranch

- 8,500 single-family homes
- 1,890 multi-family units
- No homes on the ground as of 4Q15
- Developer hopes to begin dirt work in 2017 (subject to market)
- Initial homes in \$250K-\$390K price range
- Portion of this development falls in Ponder ISD
- No current students
- Borman Elementary





Multi-Family Summary & Impacts

Multi-Family Development	Type	Address	Elementary Zone	Status	Total Units	Impact To District
Fannin Apartments	Market	910 Fannin Street	Borman	U/C	6	2015
Avenue A Apartments	Market	1216-1220 Avenue A	Borman	Under Review	24	TBD
Sequoia Village Apartments	Market	1410 E. University Drive	Hodge	U/C	27	2016
Woodland Apartments	Market	1555 Nottingham	Lee	U/C	298	2016/17*
Epic Apartments	Market	I-35 near Wind River	Nelson	U/C	227	2016
Hickory Street Apartments	Market	2505 W. Hickory Street	N Rayzor	U/C	24	2016
The Mansions	Market	27040 E. University Drive	Providence	U/C	431	2016
The Estates 380	Market	26850 E. University Drive	Providence	U/C	420	2016
Majestic on McKinney Apartments	Market	2700 E. McKinney Street	Rivera	Under Review	217	TBD
Ruddell Street Apartments	Market	1702 N Ruddell Street	Wilson	On hold**	90	TBD
East End Lofts (Rail Yard Apartments)	Market	616 E. Hickory Street	Evers	U/C	110	2016
McKinney Denton Apartments	Market	2400 E. McKinney Street	Rivera	Under Review	322	TBD
TOTALS					2,196	

2,196 market rate units expected to come on-line and impact DISD at various points in the next 1-3 years

* Woodland Apartments: 148 units U/C in Phase 1, with an additional 150 future units in Phase 2. Dirt work on phase 2 expected to begin September 2016

** Construction is on hold due to issues regarding hiring of new project plumber





Single Family Summary and Impact

Single Family Development	Address	Elementary Zone	Status	Total Lots	Impact To District
Beaver Creek	N of Loop 288, E of N Locust (FM 2164)	Ginnings	Preliminary Plat Under Review	361	2018
Ryan Meadows	S of Ryan Rd., E of Country Club Rd.	Ryan	Preliminary Plat Approved	260	2018
Sherman Crossing	W of Sherman Dr. (FM 428), N of Hercules Ln.	Ginnings	Preliminary Plat Approved	202	2017
Country Lakes North	W of US 377, N of Crawford Rd.	Ryan	Final Plat Approved	162	2016
Teasley Trails Phase 1, 1B, and 2	W of Teasley Ln. (FM 2181), N of Ryan Rd.	Ryan	Final Plat Approved	258	2016
Harvest Hill	S of N Loop 288, N of Kings Row	Wilson	Preliminary Plat Approved	154	2017
Windsor Oaks Phase 1	S of Windsor Dr., W of Loop 288	Wilson/Hodge	Preliminary Plat Under Review	112	2016
Fireside Park	SW Corner of W Windsor Dr. & Hinkle Dr.	N Rayzor	Preliminary Plat Under Review	101	2017
Vista Del Arroyo	S of Riney Rd., W of N Elm St. (US 77)	Evers	Final Plat Approved	100	2016
Old North Park	N of E. University Dr. (US 380), W of Old North Rd.	Wilson	Preliminary Plat Approved	96	2017
Parks Addition	N side of W. Oak, E of Thomas St.	N Rayzor	Preliminary Plat Approved	10	2017
TOTALS				1,816	

1,816 Single family units expected to come online and impact DISD at various points in the next 1-3 years.



Ten Year Forecast

By Grade Level

Year (Oct.)	EE/ PRE-K	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Total Growth	Percent
2011/12	997	2,108	2,079	2,039	2,084	2,054	1,920	1,874	1,760	1,702	1,812	1,656	1,464	1,296	24,845		
2012/13	1,001	2,121	2,162	2,052	2,065	2,108	2,059	1,929	1,887	1,768	1,819	1,769	1,610	1,425	25,775	930	3.7%
2013/14	967	2,074	2,164	2,163	2,069	2,104	2,085	2,041	1,919	1,904	1,925	1,708	1,640	1,549	26,312	537	2.1%
2014/15	1,063	2,068	2,099	2,178	2,166	2,082	2,133	2,075	2,052	1,973	2,042	1,873	1,665	1,551	27,020	708	2.7%
2015/16	1,114	1,944	2,125	2,087	2,182	2,147	2,100	2,141	2,129	2,084	2,095	1,974	1,773	1,552	27,447	427	1.6%
2016/17	1,131	1,959	2,006	2,179	2,106	2,225	2,163	2,096	2,167	2,181	2,254	2,064	1,900	1,721	28,152	705	2.6%
2017/18	1,131	2,029	2,008	2,060	2,238	2,161	2,294	2,175	2,131	2,217	2,348	2,169	1,957	1,811	28,729	577	2.0%
2018/19	1,131	2,113	2,100	2,080	2,127	2,318	2,239	2,304	2,196	2,168	2,345	2,258	2,049	1,864	29,292	563	2.0%
2019/20	1,131	2,155	2,187	2,185	2,156	2,211	2,405	2,270	2,312	2,239	2,355	2,294	2,135	1,970	30,005	713	2.4%
2020/21	1,131	2,236	2,234	2,286	2,278	2,248	2,312	2,423	2,293	2,357	2,446	2,287	2,171	2,050	30,752	747	2.5%
2021/22	1,131	2,305	2,324	2,323	2,386	2,374	2,326	2,342	2,471	2,335	2,572	2,360	2,180	2,095	31,524	772	2.5%
2022/23	1,131	2,359	2,405	2,422	2,410	2,479	2,480	2,358	2,347	2,525	2,533	2,482	2,252	2,103	32,286	762	2.4%
2023/24	1,131	2,441	2,454	2,501	2,512	2,511	2,581	2,513	2,390	2,382	2,743	2,443	2,365	2,171	33,138	852	2.6%
2024/25	1,131	2,504	2,549	2,547	2,601	2,615	2,613	2,618	2,554	2,440	2,635	2,645	2,327	2,278	34,057	919	2.8%
2025/26	1,131	2,589	2,612	2,651	2,646	2,708	2,726	2,653	2,654	2,609	2,741	2,540	2,516	2,241	35,017	960	2.8%

*Yellow box = largest grade per year

*Green box = second largest grade per year

- Denton ISD will reach over 28,000 enrollment next fall and over 30,000 in the fall of 2019
- 5 year growth = 3,305 students
- 2020/21 enrollment = 30,752 students
- 10 year growth = 7,570 students
- 2025/26 enrollment = 35,017 students

Ten Year Forecast

By Elementary Campus

Campus Name	History	Current	Enrollment Projections									
	Capacity	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Bell Elementary School	739	0	684	737	749	755	738	739	744	762	768	778
Blanton Elementary School	740	507	475	465	450	424	418	421	423	434	438	443
Borman Elementary School	740	447	467	469	504	555	632	706	801	916	1,053	1,218
Cross Oaks Elementary School	740	633	617	655	662	694	678	678	679	685	690	699
E P Rayzor Elementary School	740	414	403	388	383	385	396	403	415	424	443	457
Evers Park Elementary School	740	572	603	622	647	672	708	751	798	854	915	985
Ginnings Elementary School	740	602	606	606	623	636	660	683	709	734	760	786
Hodge Elementary School	740	663	659	646	643	655	661	679	694	714	732	752
Sam Houston Elementary School	740	564	565	588	599	612	632	647	658	678	696	719
Nelson Elementary School	740	603	601	593	574	572	565	564	562	561	562	560
Lee Elementary School	740	598	577	582	580	577	568	575	585	592	599	606
McNair Elementary School	740	577	586	576	565	551	552	552	565	581	598	616
Hawk Elementary School	740	688	689	633	597	550	514	515	512	515	516	522
Olive Stephens Elementary School	740	507	559	561	558	593	610	634	665	687	693	720
Paloma Creek Elementary School	740	658	391	468	557	667	792	894	1,010	1,026	1,051	1,079
Pecan Creek Elementary School	740	704	602	625	645	678	702	730	745	761	753	739
Providence Elementary School	740	700	420	417	443	473	494	525	560	587	608	625
Newton Rayzor Elementary School	740	680	672	665	664	671	660	662	663	663	666	668
Rivera Elementary School	740	663	654	678	677	675	678	695	707	718	731	754
Savannah Elementary School	740	656	686	703	714	732	723	731	749	755	763	767
Ryan Elementary School	740	590	580	567	579	585	597	613	633	647	659	674
Wilson Elementary School	740	603	597	595	602	602	599	604	619	625	631	637
Adkins Elementary School	740	348	354	360	371	394	426	446	468	490	513	537
Ann Windle School For Young Child	740	342	342	342	342	342	342	342	342	342	342	342
Gonzalez School For Young Child	740	379	379	379	379	379	379	379	379	379	379	379
ELEMENTARY TOTALS	18,499	13,698	13,768	13,920	14,107	14,429	14,724	15,168	15,685	16,130	16,559	17,062
Elementary Absolute Change		-86	70	152	187	322	295	444	517	445	429	503
Elementary Percent Change		-0.62%	0.51%	1.10%	1.34%	2.28%	2.04%	3.02%	3.41%	2.84%	2.66%	3.04%

- Bell Elementary is anticipated to open with 680 students next fall
- Total elementary enrollment could reach 14,000 students by 2018

Ten Year Forecast

By Middle School & High School Campus

Campus Name	History	Current	Enrollment Projections									
	Capacity	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Calhoun Middle School	1,268	693	709	723	742	728	757	780	819	823	852	884
McMath Middle School	1,181	745	704	672	670	730	769	816	856	913	963	1,013
Navo Middle School	1,181	1,209	1,276	1,398	1,542	1,667	1,894	1,992	2,058	2,091	2,200	2,335
Crownover Middle School	1,181	951	930	911	879	880	856	801	744	694	696	705
Strickland Middle School	1,334	900	903	896	920	917	926	957	944	933	981	1,005
Harpool Middle School	1,181	956	960	946	869	862	814	791	777	784	791	813
Bette Myers Middle School	1,323	892	954	969	1,038	1,029	1,049	1,003	1,024	1,039	1,121	1,153
MIDDLE SCHOOL TOTALS		6,346	6,436	6,515	6,660	6,813	7,065	7,140	7,222	7,277	7,604	7,908
Middle School Absolute Change		265	90	79	145	153	252	75	82	55	327	304
Middle School Percent Change		4.36%	1.42%	1.23%	2.23%	2.30%	3.70%	1.06%	1.15%	0.76%	4.49%	4.00%
Braswell High School		0	1,079	1,446	1,582	1,741	1,842	2,062	2,214	2,478	2,653	2,723
Denton High School	2,460	2,347	2,061	2,042	2,045	2,045	2,053	2,054	2,111	2,214	2,296	2,390
Fred Moore High School		49	49	49	49	49	49	49	49	49	49	49
John Guyer High School	2,140	2,482	2,642	2,714	2,791	2,820	2,863	2,848	2,759	2,719	2,645	2,633
Ryan High School	2,340	2,482	2,074	2,000	2,015	2,065	2,113	2,160	2,203	2,228	2,208	2,209
HIGH SCHOOL TOTALS		7,360	7,905	8,251	8,482	8,720	8,920	9,173	9,336	9,688	9,851	10,004
High School Absolute Change		315	545	346	231	238	200	253	163	352	163	153
High School Percent Change		4.47%	7.40%	4.38%	2.80%	2.81%	2.29%	2.84%	1.78%	3.77%	1.68%	1.55%
Lester Davis School		43	43	43	43	43	43	43	43	43	43	43
ALTERNATIVE SCHOOL TOTALS		43	43	43	43	43	43	43	43	43	43	43
DISTRICT TOTALS		27,447	28,152	28,729	29,292	30,005	30,752	31,524	32,286	33,138	34,057	35,017
District Absolute Change		427	705	577	563	713	747	772	762	852	919	960
District Percent Change		1.6%	2.6%	2.0%	2.0%	2.4%	2.5%	2.5%	2.4%	2.6%	2.8%	2.8%

- Navo Middle School may exceed 1,500 students by 2018
- John Guyer High School may enroll more than 2,700 students by 2017
- Braswell High School may enroll more than 1,000 students in 2016



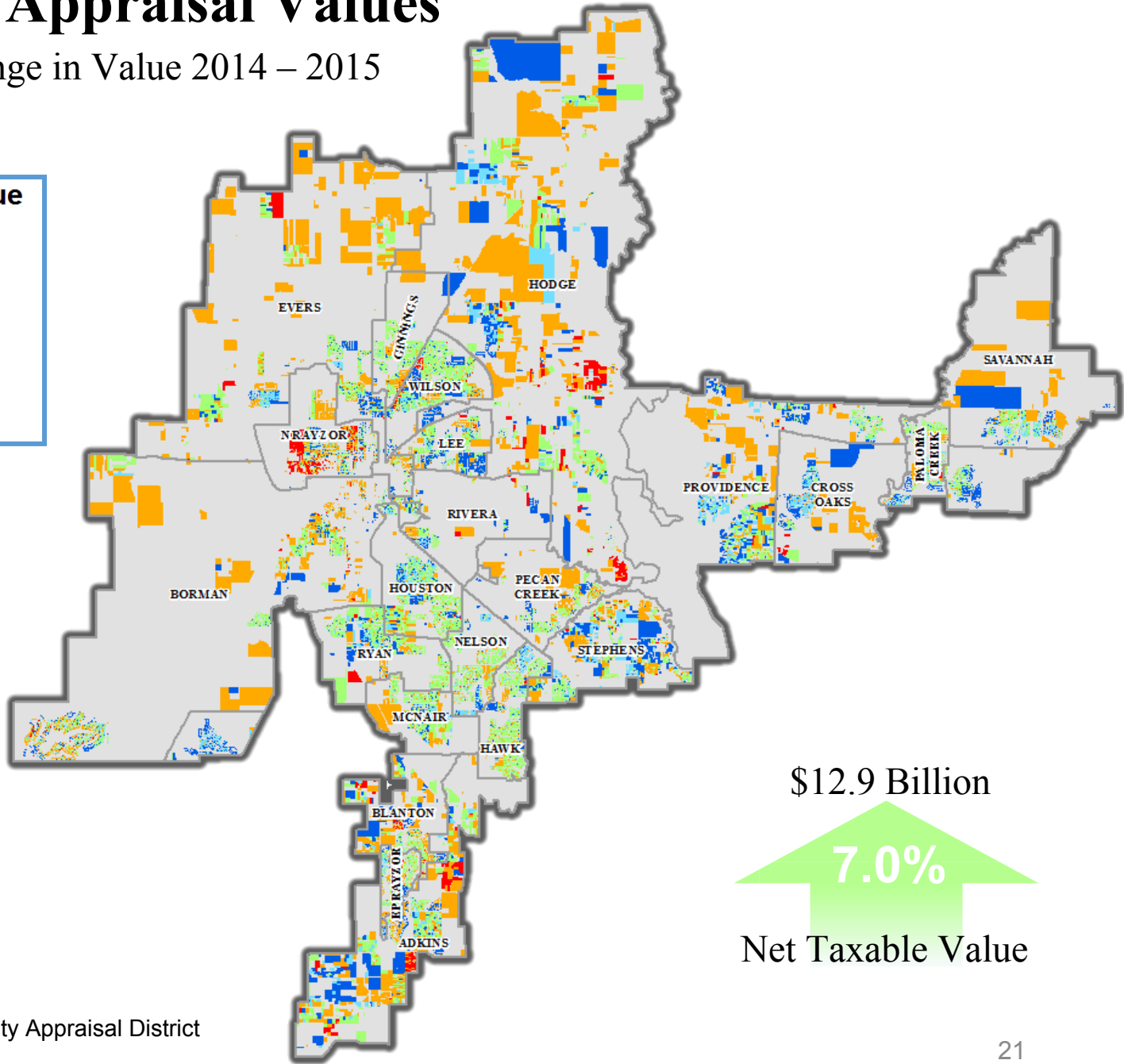


County Appraisal Values

Percent Change in Value 2014 – 2015

Percent Change in Value

- Negative Change
- Little or No Change
- 3% to 10% Change
- 10% to 15% Change
- > 15% Change



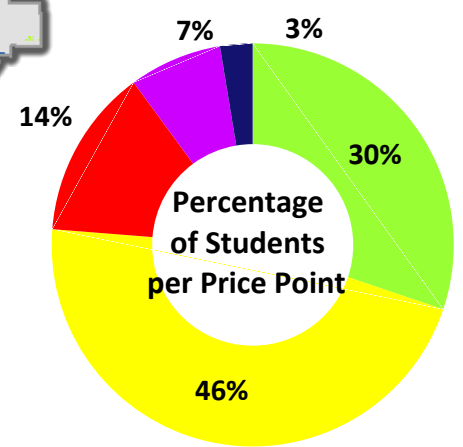
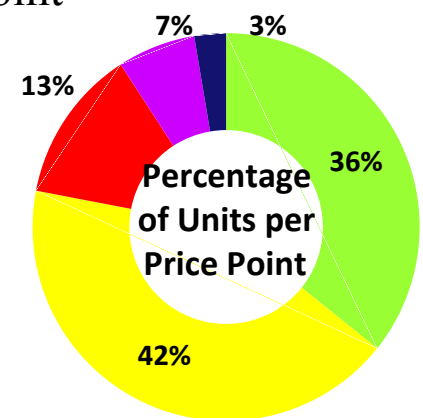
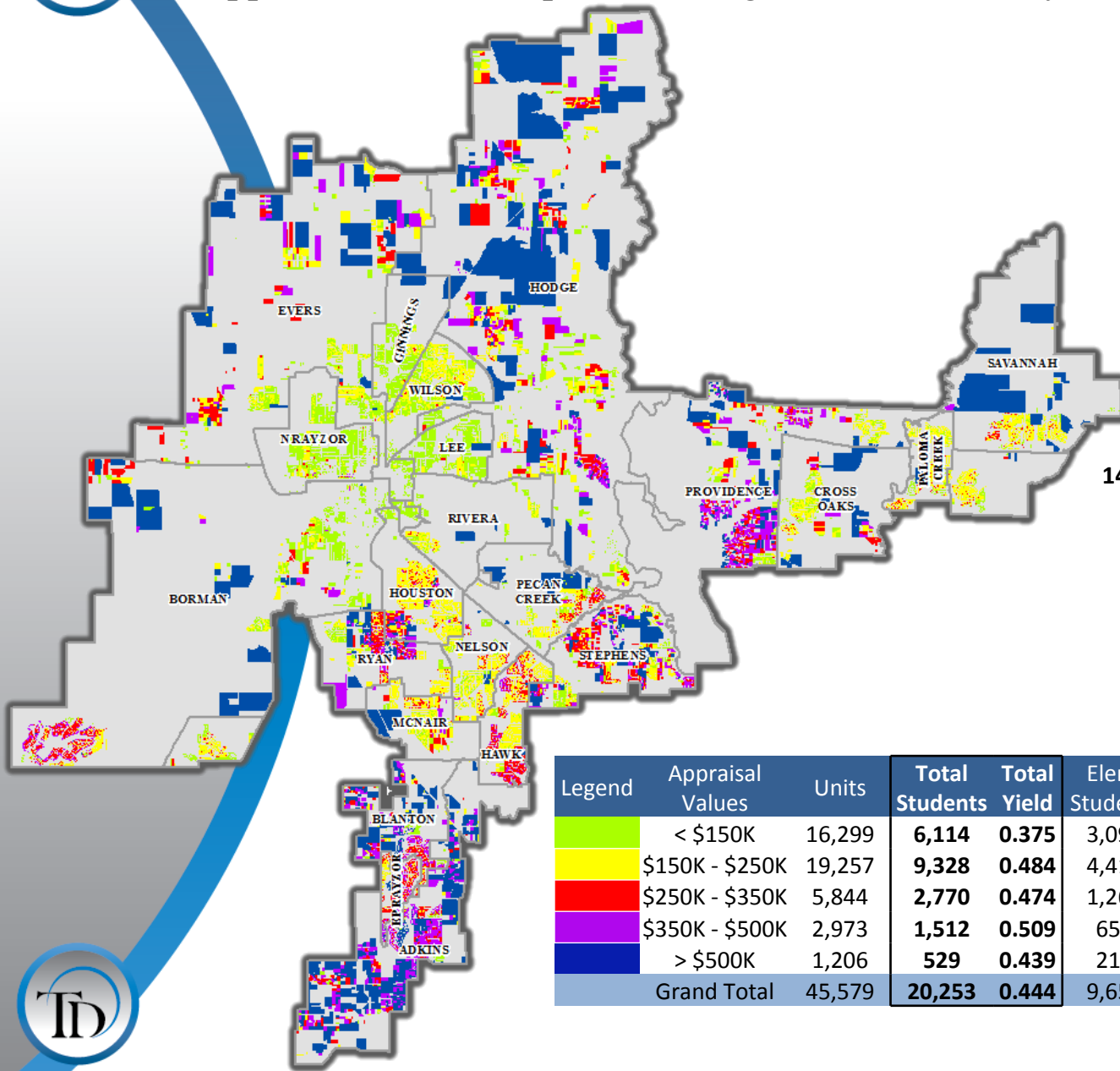
\$12.9 Billion
7.0%
Net Taxable Value



Source: Denton County Appraisal District

2015 County Appraisal Values

Appraisal Values Map and Average Student Yield by Price Point



Legend	Appraisal Values	Units	Total Students	Total Yield	Elem. Students	Elem. Yield	MS Students	MS Yield	HS Students	HS Yield
■	< \$150K	16,299	6,114	0.375	3,093	0.190	1,312	0.080	1,709	0.105
■	\$150K - \$250K	19,257	9,328	0.484	4,418	0.229	2,285	0.119	2,625	0.136
■	\$250K - \$350K	5,844	2,770	0.474	1,266	0.217	684	0.117	820	0.140
■	\$350K - \$500K	2,973	1,512	0.509	659	0.222	386	0.130	467	0.157
■	> \$500K	1,206	529	0.439	219	0.182	150	0.124	160	0.133
	Grand Total	45,579	20,253	0.444	9,655	0.212	4,817	0.106	5,781	0.127





Summary

- In 2015, Denton County ranked third in DFW submarkets for starts and fourth in DFW submarkets for lots under construction.
- Denton ISD started nearly 1,900 new homes in 2015.
- Vacant developed lot supply remains in a good position to sustain new home starts.
- Bell has become one of the most active elementary zones due to Paloma Creek South rezoning.
- Bell, Cross Oaks and Savannah elementary zones have the most new home activity, accounting for 44.8% of all DISD starts in 2015.
- Denton ISD can expect an increase of approximately 3,300 students during the next 5 years.
- 2020/21 enrollment projection: 30,752 students.
- DISD is projected to enroll more than 35,000 students for the 2025/26 school year.